



Stephanie Rawlings-Blake
Mayor

PLANNING COMMISSION

Wilbur E. "Bill" Cunningham, Chairman



Thomas J. Stosur
Director

STAFF REPORT

July 10, 2014

REQUEST: City Council Bill #14-0383/ Maryland Department of Transportation – County Transportation Revenue Bonds - Series 2014

For the purpose of authorizing the Mayor and City Council of Baltimore (the "City") to enter into an agreement with the Maryland Department of Transportation in connection with the participation by the City in the proceeds derived from the sale of certain bonds, to be known as Department of Transportation of Maryland County Transportation Revenue Bonds, Series 2014 or as otherwise designated by the Secretary of Transportation and to be issued pursuant to Title 3, Subtitle 5 of the Transportation Article of the Annotated Code of Maryland, as amended; authorizing certain officials of the City to take certain actions in connection with the City's participation in the proceeds of the sale of such bonds; providing for the pledge of the City's share of Highway User Revenues to the payment of such bonds; providing that neither the faith and credit nor the taxing power of the City shall be pledged to the City's payment obligations under the Participation Agreement identified herein; providing for the severability of the provisions of this Resolution; providing that this Resolution shall be liberally construed; and providing for a special effective date.

RECOMMENDATION: Approval

STAFF: Sara Paraniham

BACKGROUND

This resolution authorizes the Mayor and City Council of Baltimore to enter into a Participation Agreement with the Maryland Department of Transportation allowing the City to receive proceeds derived from the sale of Department of Transportation - County Transportation Revenue Bonds - Series 2014, in the aggregate principal amount not to exceed \$30,500,000.

ANALYSIS

State Transportation Article, Title 3, Subtitle 5 authorizes the Department of Transportation to issue bonds on behalf of the City to provide funds for the enclosed list of transportation projects. The revenue obligations will be in the form of bonds, issued by the Department of Transportation. The proceeds shall be used to finance (1) the cost of the transportation projects; (2) pay cost of issuance and administration.

The Transportation Article requires the local jurisdiction pass this resolution authorizing the transaction and the form of participation agreement between the Department of Transportation and the City.

The payment of principal and interest shall be secured by a pledge of the City's proportionate share of Highway User Revenues. Each fiscal year the Department of Transportation shall withhold, from the City's share of User Revenues, an amount equal to the debt service requirement. In addition, the Department shall administer the proceeds account and reimburse the City for costs associated with the projects.

The participation agreement and repayment of the Bonds shall be a revenue obligation of the City, and is not secured by the full faith and credit of the Mayor and City Council of Baltimore, the State of Maryland, or any other political subdivision of the State of Maryland.

CONFORMITY TO PLANS

These bonds are used to fund projects that are in the CIP and incorporated into the annual capital budget approved by the Planning Commission, Board of Finance, Board of Estimates and the City Council.

NOTIFICATION: The Departments of Finance and Department of Transportation have been notified of this action.

A handwritten signature in black ink, appearing to read "Thomas J. Stosur". The signature is fluid and cursive, with the first name "Thomas" and last name "Stosur" clearly distinguishable.

Thomas J. Stosur
Director